

Shasta LAFCO

Shasta Local Agency Formation Commission

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MINUTES

Special Meeting September 30, 2010

(These minutes are not intended to be a verbatim transcription of the proceedings and discussion associated with the business on the Commission's agenda; rather, what follows is a summary of the order of business and general nature of testimony, Commission deliberation, and action taken.)

CALL TO ORDER/ROLL CALL/INTRODUCTIONS

Chairman Gover called the meeting to order at 9:00 am at the Anderson Council Chambers, 1887 Howard Street, Anderson, CA. Commissioners Baugh, Fust, Gover, Haynes, Kehoe and Webster were present. Commissioner Dickerson was absent. Executive Officer Mickelson and Clerk Smith were present as staff. Alternate Commissioner Morgan and Mathena were present as members of the audience.

PLEDGE OF ALLEGIANCE

Commissioner Webster led the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment submitted.

MINUTES

The minutes of August 05, 2010 were presented. By motion made and seconded (Baugh, Fust) the Commission approved the August 05, 2010 minutes.

BUDGET & FISCAL AFFAIRS

Fiscal Year 2010-11 1st Quarter Transaction Register

The Fiscal Year 2010-11 1st Quarter Transaction Register was presented for review and adoption. By motion made and seconded (Baugh, Kehoe) the Commission approved the Fiscal Year 2010-11 1st Quarter Transaction Register.

Consideration of Checking Account Statements

Ms. Mickelson presented the following bank statements: US Bank: two statements dated July 31, 2010 and August 31, 2010; Tri Counties Bank: one statement dated August 17, 2010; and LAIF: two statements dated July 2010 and August 2010. By motion made and seconded (Fust, Haynes) the Commission approved the bank statements as presented.

SPECIAL STUDIES AND REPORTS

Municipal Services Reviews: City of Anderson Administrative Draft

Ms. Mickelson presented the Commission with a draft copy of the City of Anderson Municipal Services Review. She stated that this document is a starting point and not a final document. She added that there will be changes made to the language and to the determinations.

Commissioner Baugh asked about the response received from Cottonwood FPD regarding the MSR. Ms. Mickelson stated that the issue raised by the Cottonwood FPD is not an issue with the City of Anderson; rather the issue is with the Anderson FPD. She added that the concern from the Cottonwood FPD is an item of continuing discussion and will be addressed during the sphere process.

Commissioner Fust asked if the Planning Area referred to in the document was the LAFCO Sphere of Influence. Ms. Mickelson stated that is not the Sphere of Influence, it is an area that the City desires to serve in the future.

Commissioner Kehoe asked what the estimated timeline of completion would be. Ms. Mickelson felt that the revised final City of Anderson MSR would likely come before them in December or January.

Commissioner Haynes asked if there were four or five lift stations, as the document stated both numbers. Ms. Mickelson stated that there were five lift stations and any reference to four would be corrected. Commissioner Haynes added that she felt there were some bold statements made by LAFCO in the document.

At this time, Mark Teag, the consultant who prepared the City of Anderson MSR addressed the Commission. He stated that much research and time has gone into compiling the MSR. He added that LAFCO provided him with a starting point for the document and acknowledged that each agency has it's own vocabulary and expected there to be changes to the language of the document. The Commission thanked Mark Teag for his work on the MSR.

By motion made and seconded (Baugh, Kehoe) the Commission approved the City of Anderson Draft Municipal Services Review.

CHANGES OF ORGANIZATION AND/OR REORGANIZATION

Report on Upcoming or Potential Proposals

The Executive Officer provided a brief report to the Commissioners regarding upcoming and expected proposals. This was an information item only. No action was taken.

OPERATIONS & ADMINISTRATION

Possible Relocation of the LAFCO Office

Chairman Gover stated that Commissioner Haynes provided some additional office rental locations to the Commission and staff just prior to the meeting.

At the direction of the Commission during the recent budget discussion, Ms. Mickelson spoke with the current landlord about a possible rent reduction. She stated that the only concession the landlord was willing to make was a freeze on the CPI raise that was included in the current lease agreement for the

current period and for a future contract. She informed the Commission that the current cost for the approximately 600 square foot office space is approximately \$2.12 per square foot, which includes shared common areas, storage space within the building, and shared restroom facilities which are cleaned weekly.

Ms. Mickelson reported meeting with various realtors and researching available office locations. She found four potential locations and provided a comparison summary to the Commission. She stated that there will be several one-time costs associated with a move and estimates these costs to be approximately \$2,000. Her recommendation to the Commission was to either stay at the currently location or begin the necessary steps in order to lease the 2516 Goodwater, Suite A property.

Commissioner Fust asked when the current lease expired. Ms. Mickelson stated that the lease expires on November 15, 2010. Additionally she stated that if the Commission should decide to move forward, LAFCO would need to give a thirty day notice. Commissioner Fust then commented that most of the real estate listings that Commissioner Haynes provided were smaller than 500 square feet and did not feel that that would be enough space for the LAFCO office to function efficiently. He felt it was too soon to make a decision. Commissioner Kehoe concurred.

Commissioner Kehoe asked if the current landlord understood that LAFCO would be moving offices if they were not able make any adjustments to the rent. Ms. Mickelson stated that the landlord was aware of LAFCO's intentions and he felt that due to potential future development he would not have any issues leasing out the office space. Commissioner Kehoe added that he was not supportive of a lease that included a 3% annual rent increase. Ms. Mickelson reminded the Commission that there have been no lease negotiations and potentially the 3% annual rent increase could be negotiated. Discussion followed.

By motion made and seconded (Baugh/Fust) the Commission directed a modified Executive Committee, comprised of Chairman Gover, Commissioner Baugh and the Executive Officer, to further investigate other potential properties that would meet the needs of LAFCO and report the findings back to the full Commission.

Ms. Mickelson reminded the Commission that LAFCO should give notice by October 15, 2010. In response, Commissioner Kehoe suggested calling a special meeting for this one item. The full Commission concurred.

OTHER BUSINESS

CALAFCO Board Nominee Report

Ms. Mickelson informed the Commission that Commissioner Baugh withdrew his nomination and will not be pursuing the position due to the cost involved, as well as being assured that there were multiple County nominees for the region.

COMMISSIONER ANNOUNCEMENTS

Commissioner Haynes asked the Executive Officer where staff was at in regard to providing a Special District training. The Executive Officer stated that staff is diligently working with CSDA but has found that they are unwilling to lower their costs. Staff is still looking into other ways to move this forward in order to provide training at a reasonable cost.

STAFF ANNOUNCEMENTS

Ms. Mickelson asked if the Commission would be available for a Special Meeting October 14, 2010 to review the findings of the modified Executive Committee.

The next Regular LAFCO Meeting will be held on Thursday, November 4, 2010 at the Redding Council Chambers.

ADJOURNMENT

There being no further business, Chairman Gover adjourned the meeting at 10:20 am.

Respectfully submitted,

Jessica Smith
Clerk to the Commission

Date